

RECORDATION NO. 20805 FILED

AUG 6 '97

10-20AM

ALVORD AND ALVORD

ATTORNEYS AT LAW

918 SIXTEENTH STREET, N.W.

SUITE 200

WASHINGTON, D.C.

20006-2973

(202) 393-2266

FAX (202) 393-2156

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

August 5, 1997

RECORDATION NO. 20805-A, B, C, D FILED

AUG 6 '97

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RECEIVED
SURFACE TRANSPORTATION
BOARD

Mr. Vernon A. Williams
Secretary,
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Equipment Lease Agreement, dated as of August 6, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of each of the following secondary documents related thereto: a Lease Supplement, Trust Indenture and Security Agreement, an Indenture Supplement, and a Bill of Sale.

The names and addresses of the parties of the enclosed documents are:

B → Equipment Lease
and
Lease Supplement

Lessor: State Street Bank and Trust Company
Of Connecticut, N.A.
225 Asylum Street
Hartford, Connecticut 06103

Lessee: Nova Chemicals Inc.
690 Mechanic Street
Leominster, Massachusetts 01453

Mr. Vernon A. Williams
August 5, 1997
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Trust Indenture
and
Indenture Supplement

Owner Trustee: State Street Bank and Trust Company
Of Connecticut, N.A.
225 Asylum Street
Hartford, Connecticut 06103

Indenture Trustee: The First National Bank of Chicago
One First National Plaza, Suite 0126
Chicago, Illinois 60670-0126

Bill of Sale

Seller: Nova RL Inc.
690 Mechanic Street
Leominster, Massachusetts 01453

Buyer: State Street Bank and Trust Company
Of Connecticut, N.A.
225 Asylum Street
Hartford, Connecticut 06103

A description of the railroad equipment covered by the enclosed documents is:

three hundred fifty (350) covered hopper railcars
NCIX 001412 through NCIX 001761

Also enclosed is a check in the amount of \$120.00 payable to the order of the
Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the
undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

RECORDATION NO. 20805-B FILED

AUG 6 '97 10-20AM

EXECUTION COPY

LEASE SUPPLEMENT

Dated as of August 6, 1997

Between

STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, N.A.,
not in its individual capacity
but solely as Owner Trustee,
Lessor,

and

NOVA CHEMICALS INC.,
Lessee

Railroad Equipment

The right, title and interest of Lessor under this Lease Supplement and certain of the Rent due and to become due under the Lease have been assigned as collateral security to and are subject to a security interest in favor of The First National Bank of Chicago, as Indenture Trustee under a Trust Indenture and Security Agreement dated as of August 6, 1997, between said Indenture Trustee, as secured party, and Lessor, as debtor. Information concerning such security interest may be obtained from Indenture Trustee at its address provided for in Section 15.2 of the Lease. As further described in Section 23.10 of the Lease, to the extent, if any, that this Lease Supplement constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Lease Supplement may be created through the transfer or possession of any counterpart other than Counterpart Number 1. This is not Counterpart Number 1.

This Lease Supplement was filed with the Surface Transportation Board on August 6, 1997, at __:__, Recordation No. ____, and deposited in the office of the Registrar General of Canada pursuant to Section 105 of the Canada Transportation Act on August 6, 1997, at __:__.

LEASE SUPPLEMENT

This LEASE SUPPLEMENT dated as of August 6, 1997 between STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, N.A., a national banking association, not in its individual capacity but solely as Owner Trustee under the Trust Agreement ("Lessor"), and NOVA CHEMICALS INC., a Delaware corporation ("Lessee"),

W I T N E S S E T H:

WHEREAS, the Lessor and the Lessee have heretofore entered into that certain Equipment Lease Agreement dated as of August 6, 1997 (the "Lease"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings specified in the Lease;

WHEREAS, the Lease provides for the execution and delivery of a Lease Supplement substantially in the form hereof for the purpose of confirming the acceptance and lease of the Units under the Lease in accordance with the terms thereof;

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the Lessor and the Lessee hereby agree as follows:

1. The Lessee hereby acknowledges and confirms that it has inspected and approved the Units set forth on Schedule I hereto and, as between Lessor and Lessee, such Units comply in all material respects with the specifications for such Units and are in good working order.
2. The Lessor hereby confirms delivery and lease to the Lessee, and the Lessee hereby confirms acceptance and lease from Lessor, under the Lease as hereby supplemented, of the Units listed on Schedule I hereto.
3. The Lessee hereby represents and warrants that no Casualty Occurrence has occurred with respect to the Units set forth on Schedule I hereto as of the date hereof.
4. The Closing Date of the Units described above is the date of this Lease Supplement set forth in the opening paragraph hereof.
5. The aggregate Lessor's Cost of the Units leased hereunder and the amounts comprising such Lessor's Cost are set forth on Schedule I hereto. The Casualty Loss Values, Termination Values and Early Purchase Option Price applicable to the Units are set forth in the Lease.
6. Lessee hereby confirms its agreement, in accordance with the Lease as supplemented by this Lease Supplement, to pay Rent to Lessor for each Unit leased hereunder as provided for in the Lease.

7. The execution and delivery of this Lease Supplement will in no way relieve or decrease the responsibility of any manufacturer for the warranties it has made with respect to any Unit.

8. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Lease Supplement may refer to the "Equipment Lease Agreement dated as of August 6, 1997", or may identify the Lease in any other respect without making specific reference to this Lease Supplement, but nevertheless all such references shall be deemed to include this Lease Supplement, unless the context otherwise requires.

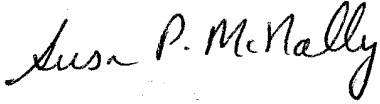
9. This Lease Supplement shall be construed in connection with and as part of the Lease, and all terms, conditions and covenants contained in the Lease, as supplemented by this Lease Supplement, shall be and remain in full force and effect.

10. This Lease Supplement may be executed in any number of counterparts, each executed counterpart constituting an original but all together one and the same instrument.

11. This Lease Supplement shall in all respect be governed by and construed in accordance with the internal laws and decisions of the State of New York (as opposed to conflicts of law provisions); provided, however, that the parties shall be entitled to all rights conferred by any applicable Federal statute, rule or regulation.

IN WITNESS WHEREOF, the parties have duly executed this Lease Supplement as of the date first above written.

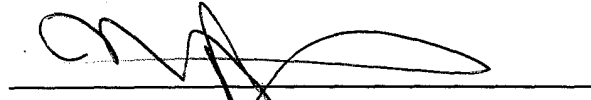
LESSOR:



SUSAN P. McNALLY
NOTARY PUBLIC
MY COMM. EXPIRES MARCH 31, 2000

STATE STREET BANK AND TRUST
COMPANY OF CONNECTICUT, N.A., not in
its individual capacity but solely as Owner
Trustee

By



Name: **MARK A. FORGETTA**
Title: **VICE PRESIDENT**

LESSEE:

NOVA CHEMICALS INC.

By

Name:
Title:

INDENTURE TRUSTEE'S ACKNOWLEDGMENT

Indenture Trustee hereby acknowledges receipt of this Counterpart Number 1 of the Lease Supplement.

THE FIRST NATIONAL BANK OF CHICAGO,
as Indenture Trustee

By

Name:
Title:

IN WITNESS WHEREOF, the parties have duly executed this Lease Supplement as of the date first above written.

LESSOR:

STATE STREET BANK AND TRUST
COMPANY OF CONNECTICUT, N.A., not in
its individual capacity but solely as Owner
Trustee

By _____

Name:

Title:

LESSEE:

NOVA CHEMICALS INC.

By _____

Name: **Arnold H. Wensky**

Title: **Secretary**

INDENTURE TRUSTEE'S ACKNOWLEDGMENT

Indenture Trustee hereby acknowledges receipt of this Counterpart Number 1 of the Lease Supplement.

THE FIRST NATIONAL BANK OF CHICAGO,
as Indenture Trustee

By _____

Name:

Title:

Schedule I to
Lease Supplement

DESCRIPTION OF EQUIPMENT

<u>Number of Units</u>	<u>Size and Type of Equipment</u>	<u>Manufacturer</u>	<u>Reporting Marks</u>	<u>Lessor's Cost Per Unit</u>
350	5847 Cubic Foot Covered Hopper Cars	National Steel Car Limited	NCIX001412 through NCIX 001761, inclusive	\$68,000